



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-299/PQEPCPL-2015/9636-40

June 21, 2018

Chief Executive Officer
Port Qasim Electric Power Company (Pvt.) Limited
House No. 63, Street No. 5
F-8/3, Islamabad.
Ph: 051-2266341

Subject: Decision of the Authority in the matter of Fuel Price Adjustment for Port Qasim Electric Power Company (Private) Limited (PQEPCL) [Case No. NEPRA/TRF-299/PQEPCPL-2015]

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charge (Annex-I), Details of Shipment (Annex-II), Marine Freight (Annex-III) (04 pages) regarding the fuel price adjustment on account of Coal price(s) variation for the month of May 2018 in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

(Syed Safeer Hussain)

CC:

1. Secretary Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited
NEECA Building, Sector G-5/2, Islamabad.

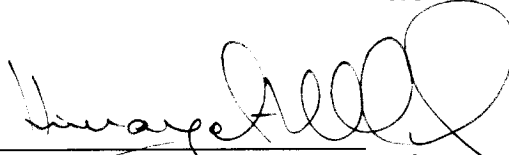
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR PORT QASIM
ELECTRIC POWER COMPANY (PRIVATE) LIMITED.**

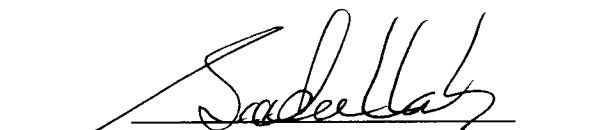
Pursuant to the Decision of the Authority dated 13th February 2015 in the matter of approval of upfront coal tariff for coal power plant of Port Qasim Electric Power Company (Private) Limited (hereafter "PQEPCL") and the Decision of the Authority dated 23rd September 2016 regarding Sue Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal tariff, the fuel portion of the energy charge part of PQEPCL's tariff needs to be adjusted for variation in coal price(s). PQEPCL requested weighted average coal price of Rs. 10,738/ton (US\$ 95.99/ton) for the coal consumed during the month of May 2018. PQEPCL further requested fuel cost component of Rs. 4.9739/kWh for May 2018 which was found on higher side. In accordance with the prescribed mechanism and on the basis of information and documents submitted by PQEPCL, the revised coal prices have been worked out and attached as Annex-II. Accordingly, the fuel cost component has been adjusted. The revised fuel cost component of energy charge part of PQEPCL's tariff indicated hereunder shall be immediately applicable to the units delivered during the month:

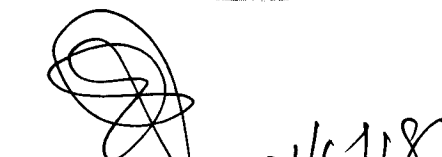
Period	Revised Fuel Cost Component Rs./kWh
May 2018	4.5861


The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as Annex-I, Annex-II & Annex-III respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

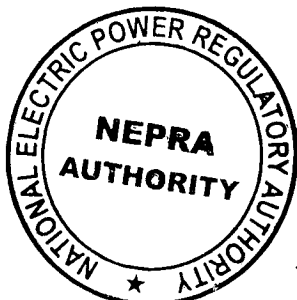
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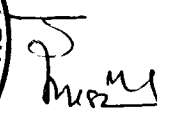

Himayat Ullah Khan
Member 20.6.18


Saif Ullah Chattha
Member 20.6.2018


Rehmatullah
Member 21/6/18


Brig (R) Tariq Saddozai
Chairman



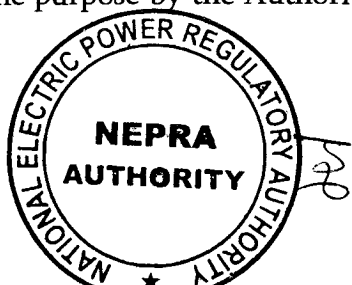

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Port Qasim Electric Power Company (Private) Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price(s) Variation

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs/US\$
Coal Consumed from stock:					
Consumption from Shipment No. 201810	19,851.0	4,401	88.88	9,822.13	110.51
Consumption from Shipment No. 201812	53,919.0	5,084	97.27	10,890.35	111.96
Consumption from Shipment No. 201813	51,196.0	4,955	90.25	10,104.39	111.96
Consumption from Shipment No. 201814	52,500.0	4,909	86.36	9,668.87	111.96
Consumption from Shipment No. 201815	50,656.0	4,815	88.78	9,939.81	111.96
Consumption from Shipment No. 201816	52,500.0	4,130	80.30	8,990.39	111.96
Consumption from Shipment No. 201817	47,676.0	4,839	88.30	9,886.07	111.96
Total consumption	328,298.0	4,765	88.60	9,911.51	111.87

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	9,672	9,912
Avg. net calorific value of stock consumed during the month	kCal/kg	6,441	4,521	4,765
Avg. net calorific value of stock consumed during the month	BTU/Kg.	25,556	17,942	18,909
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel cost component for May 2018	Rs./kWh	4.2913	4.7164	4.5861

Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



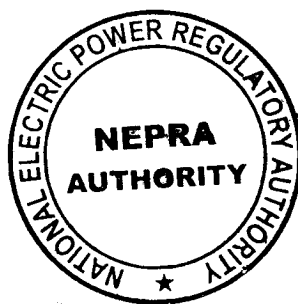
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Port Qasim Electric Power Company (Private) Limited

Details of Shipment

Shipment Number		201812	201813	201814	201815	201816	201817	201818
Vessel Name		Sbi Antares	Maritime Setoshio	Gh Citation	Azizi	Ivs Windsor	Ocean Prelate	Free State
Bill of Lading Date (B/L)		4-Mar-18	6-Mar-18	10-Mar-18	16-Mar-18	19-Mar-18	20-Mar-18	31-Mar-18
L/C Number		-	-	-	-	-	-	-
Origin		South Africa	South Africa	South Africa	South Africa	Indonesia	South Africa	Indonesia
API-4 Index for the month of B/L Date		91.40	91.40	91.40	91.40	68.82	91.40	68.82
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	4,600	6,000	4,600
Actual Calorific Value	kCal/Kg	5,084	4,955	4,909	4,815	4,130	4,839	4,161
Quantity	MT	53,919	51,196	52,500	50,656	52,500	47,676	52,500
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	77.45	75.48	74.78	73.35	61.79	73.71	62.25
Discount	US\$/Ton	-	(5.47)	(8.30)	(5.32)	-	(7.15)	-
Marine Freight Charges	US\$/Ton	12.50	13.51	13.10	13.85	11.85	14.88	12.60
Marine Insurance	US\$/Ton	0.08	0.08	0.08	0.08	0.07	0.08	0.07
CIF Coal Price	US\$/Ton	90.03	83.61	79.66	81.97	73.72	81.52	74.93
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	90.03	83.61	79.66	81.97	73.72	81.52	74.93
Other Charges:	US\$/Ton	7.24	6.64	6.70	6.81	6.58	6.78	6.56
(i) Port Handling Charges	US\$/Ton	4.24	3.83	4.01	4.05	4.07	4.03	4.01
(a) PQA Royalty Charges	US\$/Ton	2.32	2.34	2.34	2.34	2.34	2.34	2.35
(b) Wharfage	US\$/Ton	0.30	0.30	0.30	0.30	0.30	0.30	0.30
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.96	0.56	0.60	0.59	0.62	0.70	0.58
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.66	0.63	0.77	0.81	0.81	0.68	0.78
(ii) Custom Duties	US\$/Ton	2.73	2.53	2.41	2.48	2.23	2.47	2.27
(iii) Custom Clearness Charges	US\$/Ton	0.15	0.15	0.15	0.15	0.15	0.15	0.15
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Delivered Coal Price at Power Plant	US\$/Ton	97.27	90.25	86.36	88.78	80.30	88.30	81.49
Exchange Rate	Rs./US\$	111.96	111.96	111.96	111.96	111.96	111.96	111.96
Delivered Coal Price at Power Plant	Rs./Ton	10,890.35	10,104.39	9,668.87	9,939.81	8,990.39	9,886.07	9,123.62



Port Qasim Electric Power Company (Private) Limited
Marine Freight

Description	Unit	Sbi Antares	Maritime Setoshio	Gh Citation	Azizi	Ivs Windsor	Ocean Prelate	Free State
Delivery Days:								
Voyage	Days	27.58	27.04	27.04	27.04	21.73	27.04	21.73
At Port	Days	4.021	3.595	3.661	3.568	8.474	3.417	8.474
Total	Days	31.60	30.63	30.70	30.61	30.20	30.45	30.20
Average Time Charter Rate	US\$/Day	10,229	11,381	11,663	12,008	11,663	12,178	12,487
Time Charter Cost	US\$	323,258	348,632	358,042	367,511	352,210	370,874	377,094
Bunker Consumption:								
Bunker during Voyage	Ton	896.39	878.72	878.72	878.72	706.06	878.72	706.06
Bunker during Port	Ton	20.10	17.98	18.31	17.84	42.37	17.08	42.37
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	920.39	900.60	900.93	900.46	752.33	899.70	752.33
Bunker Price	\$/Ton	380.00	380.00	365.00	370.00	358.00	375.00	377.00
MGO Price	\$/Ton	660.0	649.0	649.00	653.00	562.00	653.000	605
Bunker Cost	US\$	350,842	343,275	329,946	334,273	270,131	338,473	284,518
Total Voyage Expense	US\$	674,100	691,908	687,988	701,784	622,341	709,347	661,613
Quantity Minimum	Tons	53,919	51,196	52,500	50,656	52,500	47,676	52,500
Marine Freight	\$/Ton	12.50	13.51	13.10	13.85	11.85	14.88	12.60

-PDA charges both at load and discharge ports have been included in port handling charges.

